

Notes and Reminders for Applicants:

1. **These are sample documents only.** Please adapt it to your own situation and provide explanations and information that are relevant to your organization. Be sure to explain the necessity for items that may appear duplicative of previous years' purchases. Explain item costs that may appear high due to remote location and/or expensive shipping/transportation charges.

2. Regarding consultants, be sure your situation meets the definition of a consultant.

- A consultant is an individual with specialized skills who, although not on the recipient's payroll as an employee, provides personal services to the recipient under an agreement which essentially establishes an employer-employee relationship between the recipient and the individual providing the services.

- Consultants are typically individuals who are experts with excellent qualifications.

- An employer-employee relationship may be found to exist when:

- the recipient selects the individual based on expertise in a particular field,
- directs the individual's work, and
- exercises day-to-day control of the individual's activities.

- It is EPA policy to limit EPA's participation in the amounts recipients pay to consultants to the consultant fee cap. As of January 1, 2005, the limit is \$537.84 per day (\$67.23 per hour). Recipients may pay more than the consultant fee cap, but EPA will not participate in any amount over the maximum. The consultant fee cap also applies to consultants hired by a recipient's contractors.

- The consultant fee cap does not apply to contracts awarded to firms or individuals that are awarded under the procurement procedures under 40 CFR Parts 30 and 31 (40 CFR 30.27(b) and 40 CFR 31.36(j)(2)) so long as the terms of the contract do not provide the recipient with responsibility for the selection, direction, and control of the individual(s) who will be providing services under the contract. Conversely, the consultant fee cap does apply to contracts awarded to firms or individuals that are awarded under the procurement procedures of 40 CFR Parts 30 and 31 if the terms of the contract provide the recipient with responsibility for the selection, direction, and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation.

- Questions regarding consultants may be addressed to, and copies of the Consultant Policy may be obtained from, the Region 10, Grants Administration Unit Manager, Armina Nolan,
206-553-0530 or email to: nolan.armina@epa.gov

3. Indirect Costs

- Indirect costs can be included in your proposal only if the organization has a current, approved indirect cost rate (ICR) agreement or provides documentation that it has applied for a rate for the period covered by this application. A copy of the current approved ICR agreement must be provided with this application if you have included indirect costs in your budget.
- Costs included in the indirect cost pool must NOT be included in the direct costs.
- For more information on indirect costs applicant may consult:
 - OMB Circular A-87, which can be found at:
http://www.whitehouse.gov/omb/grants/grants_circulars.html
 - National Business Center at <http://www.nbc.gov/icsprep.html>